
REPORT ON THE PROPOSAL ON THE RATIFICATION AND APPOINTMENT OF MS MARTA ORTEGA PÉREZ TO THE BOARD OF DIRECTORS AS PROPRIETARY DIRECTOR, THAT THE NOMINATION COMMITTEE OF INDUSTRIA DE DISEÑO TEXTIL, S.A. (INDITEX, S.A.) RAISES TO THE BOARD OF DIRECTORS TO BE SUBMITTED TO THE ANNUAL GENERAL MEETING

I. FOREWORD

This proposal is issued pursuant to section 529*quindecies*(3)(d) of the Spanish Companies Act (**LSC** (*Spanish acronym*)), article 29.3(e) of the Articles of Association and sections 16.2(e) and 21.2 of the Revised Text of the Board of Directors' Regulations of Industria de Diseño Textil, S.A. ("**Inditex**" or the "**Company**"), as well as section 6(h) of the Nomination Committee's Regulations. It covers the proposal on the ratification of the co-option of Ms Marta Ortega Pérez to the board of directors as proprietary director that the Nomination Committee raises to the Board of Directors to be subsequently submitted to shareholders at the Annual General Meeting scheduled to be held on 12 July 2022 on first call or on 13 July 2022 on second call.

This proposal is raised to the board of directors pursuant to section 529*quindecies*(3)(f) LSC, articles 23.3 and 29.3(g) of the Articles of Association, section 8 of the Board of Directors' Regulations, and sections 6(j)&(n) of the committee's terms of reference and covers the ratification and appointment of Ms Ortega as non-executive Chair of Inditex's board of directors.

Additionally, pursuant to section 13.2 of the Board of Directors' Regulations, should the proposal on her ratification and appointment as proprietary director be approved, her appointment as member of the Executive Committee would become effective.

II. BACKGROUND

The proposal on the ratification and appointment of Ms Ortega as proprietary director and non-executive Chair of the board of directors must be reviewed considering the special context of the departure of the former Executive Chairman, Mr Pablo Isla Álvarez Tejera, which was agreed with the company. This completes the generational handover and succession process, driven by Mr Isla and by Mr Amancio Ortega, founder, controlling shareholder and director of Inditex.

A search for candidates to fill the positions of Chair of the board and CEO, replacing Mr Pablo Isla Álvarez de Tejera and Mr Carlos Crespo González, respectively was carried out on the advice of Heidrick & Struggles. The Nomination Committee played a very active role in the orderly and planned succession of the Chair: in addition to engaging the services of such firm, it carried out its own analysis of competences and skills that should be added or reinforced on the board, considering the strategic priorities and the current and future challenges of the Company, in particular:

- (i) considering the knowledge, experience and competences required to understand the business and its main risks and ensure its smooth operation; and

- (ii) The addition of women that fit the profile sought, to favour gender diversity on the board.

The findings of such analysis, which included the finding of the evaluation of performance and of the suitability review carried out by the external advisor, were written up in an explanatory report issued on 29 November 2021.

Further to the analysis of candidates and the selection of a new chair of the board of directors, the board of directors approved in the meeting held on 29 November 2021, on the proposal of the Nomination Committee, the co-option of Ms Marta Ortega Pérez to the board as proprietary director, to fill the vacancy that would result following Mr Isla's resignation tendered in that meeting. Ms Ortega's appointment as director and non-executive Chair of the Company became effective on 1 April 2022.

On 12 May 2022, the board of directors appointed Ms Ortega as member of the Executive Committee, following a favourable report of the Nomination Committee. Such appointment would become effective following the ratification of her appointment to the board at the Annual General Meeting.

III. PURPOSE

Upon preparing this report covering the proposal on the ratification of Ms Ortega's co-option to the board, the Nomination Committee has taken into account the needs of the Board of Directors for the purposes of re-election or appointment of directors, written up in the relevant explanatory report today approved by the Nomination Committee, pursuant to Recommendation 14 of the Good Governance Code of Listed Companies, approved by CNMV in February 2015 ("GGC"), which in turn is based on the board skills matrix approved by the board of directors in the meeting held on 12 May 2022.

In particular, the Nomination Committee has found that in order to duly perform its duties, the Board of Directors as a whole shall have accredited abilities, skills, experience and merits: (i) in the Company itself, the Group and the retail sector; (ii) in economy, finances, accounting, audit and risk management matters; (iii) in regulatory compliance and in corporate governance; (iv) in the digital and new technologies sector, aimed at the achievement one of the strategic goals marked as a priority, i.e., the Company's digitalization; (v) in different geographical markets; and (vi) in management, leadership, business strategy, and the required availability for the necessary dedication to the position.

Additionally, it has been deemed it expedient at this particular time that the proposals on the re-election and appointment of directors should seek to keep or reinforce within the supreme governing body of the company: (i) the different profiles and experiences aligned with the Company's strategic focal points; (ii) high diversity in terms of, without limitation, professional experience, competences, personal skills, sector-specific knowledge, gender, age, origin, race, ethnicity and/or cultural background; (iii) a balance of directorship types on the board, ensuring a majority of non-executive directors, most of them independent, and an appropriate

representation of proprietary directors; and (iv) a progressive board refreshment, together with the necessary presence on the board of members with a wide experience and knowledge about the Company, the Group, its business, and the retail sector in general.

In line with the commitments made by the company, the Nomination Committee considers the following to be an immediate priority for director selection: (i) favouring gender diversity, to complete the process of achievement of targets set for 2022, without disregarding however, that all elections must be made based upon suitability and merit yardsticks; and (ii) reinforcing international experience, as well as in the retail sector and the fashion industry.

Consequently, pursuant to the above referred regulations, the report and the proposal address the skills, experience and merits of the candidate proposed to be appointed as new proprietary director and Chair of the Board of Directors.

IV. PROFESSIONAL PROFILE AND SKILLS

Ms. Marta Ortega Pérez holds a bachelor's degree in business administration from Universidad de La Coruña, after which she completed her studies at the European Business School in London, where she graduated in International Business.

Ms Ortega has built her entire career within the Inditex Group, which she joined in 2007. During her 15 years of experience in the Group, she has carried out roles in different areas and offices of the Group worldwide, most currently in ZARA's product and design department. Under her leadership, campaigns with the most renowned creative figures in the sector, including Steven Meisel, Fabien Baron, Karl Templar and Luca Guadagnino, have been carried out, as well as the launch of new premium collections, including ZARA SRPLS and Charlotte Gainsbourg by ZARA.

Marta Ortega, daughter of Amancio Ortega Gaona, founder and controlling shareholder of Inditex, and Flora Pérez Marcote –both of whom also sit on Inditex's Board of Directors–, has been a member of the Amancio Ortega Foundation Board of Trustees since 2015.

V. INELIGIBILITY

The Committee has established that none of the causes of ineligibility to be a company director provided in section 213 LSC and in section 22 of the Board of Directors' Regulations, apply to Ms Marta Ortega Pérez.

The Committee has further established that her other professional occupations do not hinder her appropriate and effective dedication as director and Chair of the Board of Directors.

Consequently, the Committee considers that Ms Ortega meets the requirements of ability, compatibility and availability necessary to serve as a director and non-executive Chair of the board of directors.

VI. CLASSIFICATION AS PROPRIETARY DIRECTOR

The Nomination Committee has established that the proposed candidate meets the requirements to be considered a proprietary director, pursuant to section 529*duodecies* LSC, and that none of the scenarios whereby directors must offer their resignation to the board of directors, pursuant to section 25.2 of the Board of Directors' Regulations apply to her.

VII.CONTRIBUTION TO THE BOARD OF THE APPOINTMENT OF THE NEW PROPRIETARY DIRECTOR AS CHAIR OF THE BOARD

With regard to Ms Ortega's competence, skills and merits, the Nomination Committee highly values: (i) her sound knowledge of the Group's business and corporate ethics culture resulting from her work in different areas and her collaboration at different levels of the organization for the last 15 years; and, (ii) her efforts, commitment and dedication to her duties within the Group, in particular in the area of product and design in ZARA as, under her leadership, ZARA's brand image and fashion proposal has been reinforced.

Ms Ortega has shown great leadership and management capacity, in terms of team building and communication. She has the qualities that are Inditex's hallmark features such as flexibility, adaptation to change and to business needs, having been a driver of creativity and innovation, in particular as regards sustainability of the business lines which she has led. Ms Ortega's support to the sustainable value proposal has resulted in Inditex being positioned at the forefront of sustainability in the industry.

Further to her appointment, one of the competences highlighted as a priority in the board skills matrix, pointed out as well by board members in the latest evaluations of performance, has been reinforced within the board: the experience and knowledge of the fashion industry, in a disruptive, ever-changing environment, marked by the continuous emergence of new competitors. Her knowledge and youth become the best advice, as the company gets in touch at the highest level, with the expectations and demands of its customers and the other stakeholders.

On the other hand, the fact that Ms Ortega is a member of the company's founding family contributes to reinforcing and completing the generational handover process driven by the former Executive Chairman, Mr Isla, and the founder, controlling shareholder and director, Mr Ortega, ensuring the stability and continuity of Inditex's values, vision, culture and ethics, in line with the highest standards of excellence to which the proceedings of the governing bodies adhere to.

In addition, her election to the board contributes to: (i) reinforcing diversity of directorship types, and reducing the average age and tenure of directors; (ii) reinforcing female representation on the board; (iii) cutting power concentration in a single person, as the roles of Chair of the board and chief executive are separate; (iv) supporting the board's oversight on the implementation of the Group's corporate strategy; and (v) keeping a balanced membership of proprietary and independent directors. In this regard, the presence of large majority of non-executive directors on the board is reinforced, in accordance with section 7.2 of the Board of

Directors' Regulations, and Recommendation 15 GGC. Likewise, the percentage of independent directors compared to other directorship types present on the board is high.

Since the day she was elected to the board and appointed as Chair thereof, Ms Ortega has fully assumed the powers assigned to such position in statute, in the Articles of Association and in the terms of reference of the board itself.

In view of the foregoing, the Committee considers that Ms Ortega has the appropriate skills, experience and availability, as well as the dedication and commitment required to sit on the board of directors and to chair it.

Considering the foregoing, pursuant to the above referred regulations, the Nomination Committee resolved by unanimous vote, to propose to the board of directors the ratification of the co-option of Ms Marta Ortega Pérez to the board as proprietary director, and her election for the 4-year term provided in the Articles of Association. Such ratification shall be subsequently submitted to shareholders at the Annual General Meeting.

The Committee further resolved by unanimous vote to propose to the board of directors the ratification and appointment of Ms Marta Ortega Pérez as its non-executive Chair.

Done in Arteixo, A Coruña (Spain), on 6 June 2022.